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### MINISTRY OF FINANCE

#### Department of Economic Affairs

#### NOTIFICATION

*New Delhi, the 15th May 1961*

**No. F.13(11)-W&M/61.**—With effect from the 29th of May 1961 to the 3rd of June 1961 (both days inclusive) the holders of  $3\frac{1}{2}$  per cent. National Plan Bonds (First Issue) 1961,  $2\frac{1}{2}$  per cent. Loan 1961 and 3 per cent. Hyderabad Loan 1951—61 (H.E.H. the Nizam's Government 3 per cent. O.S. Rupee Loan 1360-70F) will be given the option of converting their holdings into  $3\frac{1}{2}$  per cent. National Plan Bonds—Third Series ( $3\frac{1}{2}$  per cent. 1967) issued in terms of the Government of India, Ministry of Finance, Notification No. 6(32)-B/56, dated 5th July 1956 and repayable at par on the 16th of July 1967.

**2. Conversion Terms.**—The terms and conditions on which conversions will be effected are as under:—

- (i) For the purpose of conversion, the issue price of  $3\frac{1}{2}$  per cent. National Plan Bonds—Third Series ( $3\frac{1}{2}$  per cent. 1967) will be Rs. 98·90 for every Rs. 100 (nominal) of the loan applied for.
- (ii) The  $3\frac{1}{2}$  per cent. National Plan Bonds (First Issue) 1961,  $2\frac{1}{2}$  per cent. Loan 1961 and 3 per cent. Hyderabad Loan 1951—61 will be accepted for conversion at the following rates:—

$3\frac{1}{2}$ per cent. National Plan Bonds (First Issue) 1961	Rs. 100 per Rs. 100 (Nominal) of the securities tendered.
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$2\frac{1}{2}$ per cent. Loan 1961	Rs. 99·75 per Rs. 100 (Nominal) of the securities tendered.
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3 per cent. Hyderabad Loan 1951-61	Rs. 85·00 per Rs. 85·71 or O. S. Rs. 100 (Nominal) of the securities tendered.
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If the cash value of the loan tendered is not an exact multiple of the issue price per cent. of the  $3\frac{1}{2}$  per cent. National Plan Bonds—Third Series ( $3\frac{1}{2}$  per cent. 1967) applied for, the tenderer will receive in cash at the time of issue of new securities, the amount by which the value of the loan tendered exceeds the nearest lower multiple of the issue price.

- (iii) Interest at the rate of  $2\frac{1}{2}$  per cent. per annum on  $2\frac{1}{2}$  per cent. Loan 1961, at  $3\frac{1}{2}$  per cent. per annum on the  $3\frac{1}{2}$  per cent. National Plan Bonds (First Issue) 1961 and at 3 per cent. per annum on 3 per cent. Hyderabad Loan 1951—61 upto 31st May 1961 inclusive, on the securities tendered for conversion will be paid in cash at the time of issue of the new securities.
- (iv) The securities of  $3\frac{1}{2}$  per cent. National Plan Bonds—Third Series ( $3\frac{1}{2}$  per cent. 1967) issued by conversion in terms of this notification will bear interest at  $3\frac{1}{2}$  per cent. per annum from the 16th of July 1961. Interest will be payable half-yearly on the 16th of January and the 16th of July and will be liable to tax under the Indian Income Tax Act, 1922. In addition, the applicants will receive, alongwith the new securities, warrants covering interest at  $3\frac{1}{2}$  per cent. per annum for the period 29th of May 1961 to the 15th of July 1961 inclusive.

#### SUPPLEMENTARY PROVISIONS

3. **Place of Payment of Interest.**—Interest on the new securities will be paid at any treasury or sub-treasury in India and at the Public Debt Offices at Bangalore, Bombay, Calcutta, Madras and New Delhi.

4. Refunds of tax deducted at the time of payment (at rates prescribed by the annual Finance Acts) will be obtainable by holders of the new securities, who are not liable to tax or who are liable at a rate lower than the rate at which tax was deducted.

A holder who is not liable to tax or who is liable to tax at a rate lower than the prescribed rate, can obtain, on application, a certificate from the Income-tax Officer of the district, authorising payment of interest to him without deduction of tax or with deduction of tax at such lower rate as may be applicable to the holder.

5. The new securities will be issued in the form of:—

- (i) Stock, the applicants for which will be given Stock Certificates.  
or
- (ii) Promissory Notes.

If no preference is stated by the applicants, the securities will be issued in the form of Promissory Notes.

6. **Applications.**—Applications for the new securities must be for Rs. 100 or a multiple of that sum.

7. Applications will be received at:—

- (a) Offices of the Reserve Bank of India at Bangalore, Bombay, Calcutta, Madras, Nagpur and New Delhi;
- (b) Branches of the State Bank of Hyderabad conducting Government work and those at Jaggayyapet, Mancherial, Nagarjuna-sagar and Sirpur Kagaznagar in Andhra Pradesh, Manwath,

Purli-Vaijnath and Sailu in Maharashtra State, and Shahabad in Mysore State;

- (c) Branches of the State Bank of Mysore in the State of Mysore except those at Bangalore, Mangalore and Gulbarga; and
- (d) Branches of the State Bank of India at Mangalore and at other places in India, except at the places specified in (a), (b) and (c) above.

8. Applications may be in the form attached hereto or in any other form which states clearly the amount and description of the securities required, the full name and address of the applicant, and the treasury or sub-treasury at which he desires that interest shall be paid.

9. All securities tendered for conversion must be transferred to Government:—

- (a) In the case of Stock Certificates, by signing the form of transfer deed on the reverse of the Certificate before a witness;
- (b) In the case of Promissory Notes, by endorsing them in the manner indicated below:—

“Pay to the President of India.”

10. Brokerage will be paid at the rate of 6 naye paise per Rs. 100 (nominal) to recognised banks and brokers on allotments made in respect of applications for the new securities bearing their stamp.

By order of the President,

K. P. MATHRANI,  
*Additional Secretary.*

## FORM OF APPLICATION

I/We .....  
[Full name(s) in block letters]

..... herewith tender

\*3½ per cent. National Plan Bonds (First Issue) 1961

\*2½ per cent. Loan 1961

of the nominal value of

\*3 per cent. Hyderabad Loan 1951-61

Rs. ....  
and request that securities of 3½ per cent. National Plan Bonds—Third Series  
(3½ per cent. 1967) of the nominal value of Rs. ....

may be issued to  $\frac{\text{me}}{\text{us}}$  in the form of Promissory Note(s)\*\*  
Stock Certificate(s) interest to be

payable at .....

Signature .....

Name in full.....  
(Block letters)

Address .....

Dated the ..... of ..... 1961

NOTE.—(1) Securities tendered for conversion should be endorsed with the words “Pay to the President of India” over the signature of the applicant, if they are in the form of Promissory Notes, and the transfer deed on the back should be signed by him before a witness, if they are in the form of Stock Certificates.

(2) Separate application should be made for each form of subscription and for each form of scrip (Stock Certificate or Promissory Note) of the securities required.

\*Delete what is not required.

\*\*Promissory Notes will be issued in denominations of Rs. 100, Rs. 200, Rs. 500, Rs. 1,000, Rs. 5,000, Rs. 10,000, Rs. 25,000, Rs. 50,000 and Rs. 1,00,000. State here particular denominations required.